

Notices of Exempt Rulemaking

CCS Administration has determined that funding is sufficient to reopen KidsCare based on new applications for children in households with income at or under 175% of the federal poverty level. This rule expands R9-31-401 to permit new applications and describes how those applications will be received and processed.

Although the AHCCCS Administration will begin processing new applications on and after June 25, 2012, because eligibility for KidsCare is prospective, eligibility based on new applications will not be sooner than August 1, 2012.

Pursuant to Arizona Laws 2011, 1st Special Session, Ch. 1 (Senate Bill 1001), § 2, this proposed rule is exempt from the requirements for formal rulemaking otherwise required by A.R.S. Title 41, Chapter 6.

- 6. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

None

- 7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

- 8. The preliminary summary of the economic, small business, and consumer impact:**

Not applicable

- 9. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:**

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- 10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

Please submit any comment to the contact listed above by the close of the comment period of July 21, 2012, 5:00 p.m.

- 11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

None

- a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

Not applicable

- b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law, and if so, citation to the statutory authority to exceed the requirements of federal law:**

Not applicable

- c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

Not applicable

- 12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:**

None

- 13. The full text of the rules follows:**

TITLE 9. HEALTH SERVICES

CHAPTER 31. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
CHILDREN'S HEALTH INSURANCE PROGRAM

Notices of Exempt Rulemaking

ARTICLE 4. KIDSCARE II PROGRAM

Section

R9-31-401. KidsCare II Program

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R9-31-401. KidsCare II Program

- A. Subject to CMS approval and the availability of funding under the special terms and conditions of the 1115 Waiver, the Administration shall establish the KidsCare II program.
- B. Subject to the availability of funding, the following children are potentially eligible under this Section notwithstanding the closure of new enrollment under Article 3 on December 21, 2009, due to a lack of available funding:
 - 1. Children with household income at or below 175% of FPL, who are discontinued for eligibility under 9 A.A.C. 22, Article 14 effective on or after May 1, 2012, due to age.
 - 2. Children with household income at or below 175% of FPL, whose application for assistance was denied or discontinued as ineligible under 9 A.A.C. 22 on or after December 21, 2009 but who were determined potentially eligible for KidsCare as of the date of that denial or discontinuance and whose eligibility for KidsCare was not determined because the Administration stopped processing applications due to insufficient funding pursuant to R9-31-301(C).
 - 3. Children not described in subsection (B)(2) with household income at or below 175% of FPL.
- C. Beginning on or before May 1, 2012, the Administration shall send notice of potential eligibility under this Section to as many households with children described in subsection (B)(2) as is estimated by the Administration as likely to result in the return of a sufficient number of applications to increase enrollment under this Section to the extent of available funding under this Section.
- D. Notice of potential eligibility:
 - 1. Children who were placed on the waiting list established under R9-31-302(F) on an earlier date shall receive notice before children placed on the waiting list on a later date.
 - 2. Notwithstanding subsection (D)(1), all children in the household will receive notice and be determined for eligibility based on the child in the household with the earliest applicable date.
 - 3. Households shall have 30 days to return an application to the Department.
 - 4. If notices that are initially sent under subsection (C) do not result in sufficient applications to enroll as many children as allowed by available funding, the Administration shall send out additional notices as described in subsection (C).
 - 5. ~~Once the Administration has enrolled the maximum number of children consistent with funding made available under this Section, the Administration shall stop processing applications and determining eligibility under this Section.~~
- E. The Department shall review all applications for a determination of eligibility under 9 A.A.C. 22. If the Department determines that a child is not eligible under 9 A.A.C. 22 but has income at or below 175% of FPL and meets all other eligibility criteria under R9-31-303, the Department shall refer the application to the Administration.
- F. The Administration shall accept the Department's determinations regarding eligibility criteria without requiring the household to submit a new application under this Section or to re-verify information verified by the Department.
- G. Upon referral of an application from the Department, the Administration shall:
 - 1. Determine whether the application referred by the Department was from a household with a child described in subsection (B)(1) or from a household that received a notice under subsection (D) that submitted an application to the Department within 30 days of the Administration's request for a new application;
 - 2. Process applications for children described in subsection (B)(3) beginning June 25, 2012;
 - 2-3. Determine whether the household has any unpaid premiums as described in R9-31-1420 and, if so, the Administration shall require the household to pay the past due premium within 20 days from notification as a condition of determining a child eligible under this Section; ~~and~~
 - 3-4. Enroll children under this Section based on the date that the Administration determines the child eligible; ~~and~~
 - 5. Stop processing applications and determining eligibility under this Section once the Administration has enrolled the maximum number of children consistent with funding made available under this Section.
- H. Effective date of initial enrollment.
 - 1. For an eligibility determination completed by the 25th day of the month, enrollment shall begin on the first day of the month following the determination of eligibility.
 - 2. For an eligibility determination completed after the 25th day of the month, enrollment shall begin on the first day of the second month following the determination of eligibility.
- I. Any child who is not determined eligible under subsection (G) shall remain on the waiting list described in R9-31-302(F).
- J. Eligibility for children under this Section ends on December 31, 2013.
- K. Except as otherwise provided by this Section, eligibility shall be determined in accordance with the provisions of this Chapter.